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PUBLIC INSTITUTIONS

SPEECH

... BY ...

HON. E. J. DAVIS, x

In the Legislature.

AN ARRAY OF FACTS AND FIGURES

In the Ontario Legislature, on March 24th, 1897, the Opposition moved the following resolution, which, after having been debated at considerable length, was voted down by the handsome majority of 23:

"That this House is of the opinion that the Tender System "of purchasing Supplies for the Public Institutions of the Province, and for the Stationery required for the public use, "should be adopted in lieu of the system at present carried on."

Several of the public institutions of the Province being under the administration of Hon. E. J. Davis, as Provincial Secretary, he, in a speech in reply, went somewhat fully into an enunciation of the Government's policy in connection with the purchase of supplies. On rising, Mr. Davis was greeted with applause. He said:—

Mr. Speaker:—The resolution moved by my hon. friend is not a new one altogether in this House. We have discussed its merits on more than one occasion, but I find in the resolution we are now asked to support some variations from the resolutions of the past. The last clause is new; and I wish to say there is a principle involved in this resolution—a principle that I think the House and the country ought to have the fullest possible information upon, and I propose, realizing this prin-

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ciple to be important, realizing that the Government are taking the proper course in the expenditure of the money of this Province in connection with the public institutions, to lay down the principle upon which the articles for these institutions are purchased.

Before entering upon that, and asking the House to bear with me while I give a few figures in connection with that principle and its operation, I wish to say a word with reference to the last clause of the resolution which we are asked to support to-day. This refers apparently to the distribution of stationery by the Queen's Printer's Department of the Government. Now, I wish to say this, having made considerable enquiry as to what classes of goods are required there for the purpose of distribution, and for the uses of the different officers under the Government, that all the large lines, lines in which you would require any respectable amount of one kind of goods, are purchased practically by competition in the open market, and the result shows from the records, and the invoices, and the prices that are paid for those lines of goods, that the very lowest possible wholesale price is paid for the same. Then I wish to say to the House and the country, that there are a very large number of articles purchased of which only a small amount of each particular article is required during the year, and it would be utterly impossible, it would be inadvisable and improvident, and not in the public interest, to ask for tenders for those different lines of goods. So I claim, from the examination made, that public tender is exercised and used in connection with that department as far as it is possible to do it with advantage, and only those articles are purchased in the open market without competition that it would not be advisable to have purchased in any other way.

UNFAIR CRITICISM.

With reference to the first part of the resolution, which involves the principle upon which the action of the Government is based, with regard to supplies for all our public institutions, I wish to say a word or two. First of all, the statement in the resolution—with all respect to my hon. friend—is not, I think, a fair statement. The impression that would go abroad from the wording of that resolution, if one were not aware of the facts to the contrary, would be that no goods were purchased for those institutions by public tender, and the resolution asks that all be supplied by public tender. I wish to make it clear to the House and to the country, that a very large proportion of the

goods used by those institutions are now purchased by public tender. I will give figures to show the exact amount in a moment or two. Only those goods which cannot be purchased to advantage by public tender are purchased on the open market. The general principle laid down in purchasing for all these institutions is simply this: everything that can be bought to advantage by public tender is purchased in that way. I am sure this is a reasonable proposition; that it is a fair proposition. There are many things you cannot purchase by public tender to advantage, and it would be a distinct loss to the Province to purchase in that way. I believe the people of the Province will agree that the principle adopted by the Government is a sound principle. I think as business men, many of the members of this House will say, looking back at their own experience, and their own knowledge of business and business transactions, that the principle is a proper business one to adopt. The hon. gentleman asks that all goods be purchased by tender. I wish to say that the Government are open to increase the lines of goods purchased by tender just as fast as experience teaches us that we can buy to better advantage by so doing. There is no hard and fast rule. The only rule that guides in the transaction of these business matters as to what should be purchased by tender is, Will it pay the Province to buy this particular article by tender or in the open market best? What does the hon. gentleman wish to do? Does he wish to compel the House to buy those things by tender that the experience of all business men in the past says it will be a disadvantage to buy in that way? That seems to be what the resolution means. It would be an instruction, if it were passed, that all goods used in public institutions should be purchased by tender, and yet my hon. friend himself, in his speech introducing the resolution, states that it would be impossible to purchase some of the goods by tender (laughter). If he desires that we should buy some other articles by tender, why did he not specify those articles, and ask the House to purchase, in addition to the goods already purchased by tender, certain other articles? That would be a fair resolution, and would be a fair subject of discussion. The House now is asked to vote that every article purchased for these institutions should be purchased by tender, and the hon. gentleman says this is an impossibility. The principle on which the Government has acted in the purchase of supplies in the past, I am free to admit, is a fair subject for discussion, and while you may have a good theory to offer it may work out very badly in practice. It is a reasonable thing that the hon. gentleman and his friends on the opposite side of the House should ask for information and

data, showing how this principle has worked out in the past. It is a fair test, and I am prepared to appeal to that test, and along with the resolution and that test, to appeal to the judgment of the hon. members, and the judgment of the electorate of this Province.

ACCURATE STATEMENT.

Now, I will give you an accurate analysis of the amount of goods purchased during the last fiscal year, closing 30th September, 1896, in all the different institutions in the Province of Ontario. I will give you the different amounts, as to what is purchased by tender, what is purchased in the open market; what goods, we submit to you, it is impossible to purchase by tender, and I will show you the amount of goods that perhaps there might be some question about, whether they should be bought by tender or not, and then will submit some reasons why I think they could not be purchased by public tender. During the fiscal year, closing 30th September, 1896, there was laid out for the purchase of supplies for the institutions of this Province the sum of \$805,183. Now, that is divided as follows:—In division No. 1, taking all the public institutions, the total amount of salaries, allowances and so on, which all hon. gentlemen will say cannot be purchased by tender, amounted to \$281,373. Then, we have purchases by contract—that is by tenders advertised for, every one being given an opportunity to compete—and I may say here that this refers to all the leading articles that are in use in all the institutions, such as flour, coal, wood, butter, and prominent articles of that class, which can be purchased to advantage by public tender. The amount purchased in that way amounts to \$192,900. Then we have, in the item No. 3, taking all the institutions together, the sum of \$56,319 paid for meat supplied by special arrangements. Now those special arrangements are the arrangements which my friend to my right (Mr. Garrow) incidentally referred to, and which all gentlemen who are members of the Public Accounts Committee, I am sure, are thoroughly acquainted with; arrangements by which Mr. Hunter buys cattle in the open market, and they are butchered, cut up and distributed among the leading public institutions of the Province adjoining this city, where it is possible to carry on the purchase of meat in that way. A very careful analysis of the working out of the system was shown by sworn evidence before the Public Accounts Committee a year or two ago, giving all the details. It was admitted by gentlemen not favorable to the Government politically that Mr. Hunter was a thoroughly competent man for the

discharge of those duties. Some went so far as to say they did not think a better man could be secured, from his experience, knowledge of the business and honesty, and that he was a man who would do what was right in the interests of the Province in the position in which he was placed. Now, the result of the purchase of meat in that way was shown before that Committee on sworn evidence to have been less than of meat purchased by contract at some other institutions, one of which has been referred to by my hon. friend from West York (Mr. St. John), who has just taken his seat. Then we have another column of goods manufactured by the institutions themselves. In the Central Prison, as you know, there are a number of articles manufactured, and it has been the aim of the Government, as far as possible, to manufacture those articles by prison labor which are required for use in the different institutions of the Province. That, I believe hon. gentlemen opposite admit is a very commendable and a very desirable thing. The prison labor does not compete with outside labor as it would if employed in some other ways, and the prisoners manufacture a large amount of goods. The amount of goods of that class is \$62,824 for the year to which I am now referring. Hon. gentlemen would say that those goods should be purchased by tender. That would simply be absurd under the circumstances. So that disposes of another considerable sum of money which has been expended in this way.

Then we have another list which we consider it to be impracticable to purchase by tender, and in all the institutions throughout the province that amounts to the sum of \$145,613. Now perhaps it would only be a fair thing to give, and the House have a right to have, some information as to what constitutes that amount. There may be room for some difference of opinion as to whether some of these articles should be purchased by tender or not. I believe with reference to many of the articles the hon. gentlemen opposite would perhaps almost unanimously admit that it would not be of advantage, but almost impossible, to purchase them by tender. I will not trouble the House by reading them all, although I think it would be of great advantage to the House:—Medicine and medical comforts, \$6,515. This covers all the institutions of the Province. Hon. gentlemen would hardly consider it practical to ask tenders for these services. Gas and light, \$15,714. No member of this House will consider that you could arrange that by tender to advantage. Water supply, \$12,475. Now this House knows the best arrangement is made that can be made, considering the conditions where these institutions are situated,

the same as business men have to make. Then we have renewals of furniture, etc., a considerable item. This would be a matter that it would be impossible to tender for to any advantage; in fact it could not be done. Then we have travelling expenses, \$930. Schools and religious instruction, \$3,395. How could we arrange to tender for that great advantage, which is given to the different institutions of the Province? Then we have for postage, telegraph and express the sum of \$1,879. Then a lot of miscellaneous articles: wire work, inspection of weights and measures, etc.—a number of items, a great long list of them, each one of them enumerated here, making up that total list amounting to \$26,904. I am willing to submit that list to any practical business men, inside or outside of this House, and they will say that they could not see it to their own advantage to ask tenders for any articles in that list.

Then the total sum we have left is \$66,152, which is debatable ground as to whether they ought to be purchased, by tender or not, and I have taken a little pains to look into that because this is an annual motion that comes up in this House, and perhaps a wrong impression has sometimes gone out in the country in reference to it, and it perhaps might not be a waste of time to go into it very fully so that it may be seen where we stand with reference to this matter. Paints and oils, \$3,815; Tea, etc., \$9,498; Sugar, syrup and kindred articles, \$16,823; Salt, pepper, mustard, etc., \$1,904; Cheese, \$2,785; Disinfectants, soap, etc.—I suppose that would include sal soda and articles of that description—\$12,585. These are the articles of which that bulk sum, \$66,000, is composed.

There is the analysis for the last fiscal year of the expenditure of all the money in connection with the public institutions of the Province, and I submit to the members of this House whether, even in the debatable ground of \$66,000, there are articles which could be purchased to advantage by tender. I have tried to give some thought to that, and from my business experience I have not been able to see where an article could be added to the list of goods purchased to advantage by tender. If I could see it I am sure it would be added to the list of those articles for which we ask tenders.

BUYING BY TENDER.

This question of buying by tender is not a new question, but an annual question; and I want to ask the consideration of the House for a moment to the experience of a Government

which held power here a good many years ago, on this very question. My hon. friends opposite very often say that if this Government were as good as Hon. John Sandfield Macdonald's Government there would be very little fault to find with it. I shall quote something from Hon. John Sandfield Macdonald's Government and their action and the course they pursued with reference to this very matter which is under discussion. I am not here to say that John Sandfield Macdonald's Government was a bad one. In some respects I think they were very good. I think in point of economy they were very good. I think there were some great principles which they attempted to violate and which caused them to lose office; a violation which the majority of the people of this Province did not approve. What did they do in connection with the question of tenders? I find that in 1869 and 1870 that government asked for tenders for 58 articles, including coal, wood, butter, butcher's meat, fish, general groceries, general dry goods, boots and shoes, crockery, glassware and tinware, cutlery, farm produce, ice, stone, etc., etc. Fifty-eight articles were purchased by tender, called for by advertisement, and I have copies of the advertisement here. But we find, in 1871, another year of this same government, that that tender list, after the experience of the years 1869-70, was reduced to five articles: coal and wood, flour, butcher's, meat and butter. Those were all and the only articles they asked tenders for. Now I will give you reasons for the change of policy of that administration, as given by Mr. Langmuir, Inspector of Public Institutions at that time, whose evidence is to be found in the report of the Public Accounts Committee of several years ago. He says:—

“When I was appointed, nearly all the supplies were got by public tender; even dry goods and groceries were largely obtained by public tender, as well as fuel, flour, butter and perishable supplies. The practice prevailed, that tenders would be called (that is prior to 1868—the change was made in 1869), for Toronto Asylum, and intending offerers were required to send in samples of all they tendered for, both in respect to groceries, such as tea and sugar, and also staple dry goods. That system involved the keeping on hand of some articles by wholesale dealers, because goods were only delivered as called for; it involved keeping on hand some line of tea or coffee as the sample called for. It must be obvious that that was a difficult thing to do. The consequence was that, after observing the working of that system, I strongly recommended the Government of the day to change the system, as far as the purchase of dry goods and groceries was concerned, and to buy these to the

best advantage in the open market, in the same way as a merchant, with cash at his disposal, would make his purchases. It seemed to me absurd to ask for tenders, and to bring in samples, as if a man wanting \$10,000 worth of goods came into the city, put up at the Walker House, and asked merchants to bring their samples to him instead of going to the warehouses and buying it. In conversation with Mr. Sanfield Macdonald on the subject, he at once instructed me to buy in the open market. That was the cause of the change in regard to groceries and dry goods."

This principle which has been laid down, to purchase by tender, where advisable, and in the open market, where goods can be purchased to the best advantage in that way, is confirmed by men of ripe experience and judgment. It is confirmed by the course pursued by other public bodies. A great many members of this House have been members of municipal councils, and some of them have had long experience in such matters, and I ask them to consider from their experience of the expenditure of the people's money, is it not true, while large public works were built by contract after tenders were asked for, a considerable sum of money every year in any municipality was spent by making the best arrangement that could be made in the open market for the work that was to be done? That was my experience for a number of years while in that particular class of work, both in township and county councils, and I believe I am stating what has been the experience of every gentleman who has been a member of these bodies. Why did they follow that practice? They did it, just as the Government does it in this case, because it paid their constituents. Take school boards, who have to deal with public money; they do it for the same reason. They purchase the large articles, which can be purchased to advantage in that way, by tender; and then they purchase smaller articles in the open market, and in so doing they act in the best interests of those who place them in positions of responsibility. This also has been the experience of similar institutions to ours in other parts of Canada. They have tried to tender much as the Government of this Province did many years ago, asking tenders for all articles, and found it was a failure practically; and they have come to the conclusion, and are acting upon the conclusion as a result of experience, that they will buy the articles which can be bought best by tender in that way and in no other way.

My hon. friend from West York (Mr. St. John) referred us to the Penitentiary at Kingston, and made statements which I

am sure he would not have made had he been familiar with the facts of the case. What was shown last year, when we had the Warden of that institution here, when he was brought here to give information to show that the system of purchasing at Kingston was superior to the system of purchasing in this Province? It was found on his own evidence that they did not purchase nearly all their supplies by public tender; that a considerable proportion was bought in the open market; and more was shown, which I will refer to a little later on, and that when they purchased by tender they did not purchase as cheaply the same class of goods as we purchased in the open market. So that it is not correct to say that any public institution that I know of, or of which I can get any statistics—and I have made considerable efforts in the last few weeks to get statistics—purchase all their articles by public tender. They purchase those that can be purchased to advantage in that way, and the rest they obtain on the open market. A moment's consideration will show that business men adopt the same course. They buy in the open market when they find that they can buy better than by public tender. I got statistics the other day from one of the deaf and dumb institutions in the State of New York, and among the other information was this, that they did not buy a dollar's worth of goods by public tender. All are purchased in the open market. I would imagine that they could purchase some of their supplies to better advantage if obtained by public tender, but it shows what other public institutions are doing along these lines.

If we assume that our system is a right and good system (and I believe that the evidence produced will show that the system pursued is the proper system, the experience of those competent to judge unanimously shows that the system adopted here is the proper system, in the light of the evidence no one will dispute that this system is the best system), the question which is a fair one to ask is, How is it being worked out; how is it administered? The hon. gentleman recommends to us an inferior system, a system that he himself says cannot be carried out. How does our present system work out so far as the administration is concerned? I propose to give what I think the House and country will consider sufficient evidence to show that not only is the system a proper system, but that it has worked out advantageously and in the best interests of the Province. The people have a perfect right to know whether their money is being spent properly, whether good value is being obtained; and this Government has no right to the confidence of the people of the Province unless they are able to show that they

have made every effort along that line. We are not afraid of investigation, or to have a question of this kind brought up, because the more comparison there is with other institutions and other governments, the more it will show that better value is being obtained for the money spent on our institutions than anywhere else.

It seems to me that there are several classes of evidence which might be produced to show whether this is so or not. One class would be the results of Public Accounts Committee investigation; and hon. gentlemen opposite sometimes make misleading statements, as my hon. friend did in moving the resolution, telling us that a bulk sum was paid to a certain man, and giving no details whatever. I think all will agree with me that no bulk sum shown by the public accounts as having been paid to any man for anything has ever been asked before that Committee but that the documents were brought down, showing exactly in detail how every dollar of that money was spent. There is full opportunity to get information with respect to any and every one of these particular accounts, and I appeal to the records of the Public Accounts Committee to show that this system is administered well in the interests of the Province. We find, on the very last page of the Public Accounts Committee's Report last year the question was asked whether every document that had been called for by every member of that Committee had been produced before that Committee, and the reply was that every one had been brought down with the exception of one, asked for by my friend the hon. member for Frontenac (Mr. Haycock), and he understands thoroughly why that was not brought down. A return was asked for in the House for his information, and he agreed that it should not be brought down. This shows that every opportunity is given to investigate these accounts. There has been investigation year after year, and I ask the House, what has been shown as a result of all that investigation that would go to show that the system carried on and in operation in this Province for the purchase of supplies ought to be changed? I submit that the sworn evidence of some of the best and most capable business men in this and other cities is on record that the prices paid by the public institutions were low and reasonable prices. In many cases they were even lower than the wholesale prices. It is true there were some—occasionally an item here and there—which seemed to indicate that a little larger price was paid; and there is nothing to conceal with reference to that. There is once in a while an item like that; for instance an item of sal soda. That item attracted the attention of the Committee for several days. In each of the institutions

a small quantity of that article is used, and it appeared that one-fourth or one-half cent more per pound had been paid for it by some institutions than by others. We figured it all up, and found that if one-half a cent per pound had been paid more all around it would not have amounted to more than \$15 or \$20 a year (laughter). That it no reason why it should be paid ; but there was a reason for it. Some of the institutions are further away from the centre of trade, and the difference in freight was all the way from one-fourth to one-half a cent per pound, and that made a considerable difference in the cost.

Mr. Kerns.—Did the Government pay the freight?

Mr. Davis.—The freight from the first point of distribution to the wholesale point where it was purchased by some of the institutions was very much more than to others. We all know in business that is so. On the whole the record of the public accounts itself will show that excellent value had been obtained for the money expended for those articles on the open market.

COMPARISONS MADE.

Now I want to give a comparison. There were some articles purchased in the open market here that were purchased by tender at Kingston Penitentiary, and the object of bringing the late Warden of the Penitentiary here was to show that those articles which were purchased there by tender, and which we purchased in the open market, were bought for less at Kingston, and that it would be to the advantage of the people of this Province to purchase here by tender as well. Now we have the evidence bearing on that in the Report of the Public Accounts Committee of 1896, page 156, and I will just read you two or three items to show you how the figures worked out. At the Kingston Penitentiary they purchased by tender carriage bolts of a certain size—one-fourth by one-half. They paid forty and chased by them at sixty-one and one-half cents, which were one-half cents for them; in the open market we purchased them for thirty-three and four-fifths. Another line of bolts was purchased in the open market by this Government—the same class of goods (one-fourth by five-and-one-half)—at 55 cents. Another line, one-fourth by two, they paid forty-three and one-half for, and they were bought at 39 cents by this Government in the open market; and so on down through a great long list covering two or three pages, we find the same thing shown. With two or three exceptions, out of a long list of perhaps fifty or sixty articles, we purchased at much less in the open market

than the Dominion Government were purchasing at for the Kingston Penitentiary under tender. Now, I am sure that is pretty strong evidence that we were getting good value. It either proves that conclusively, or it proves in connection with the other institution something else that I do not care to name here now. Then the fact that goods are bought by tender, I submit to the judgment of this House, does not show that they are well purchased. That does not settle it. I am not saying anything against the system of tendering where it can be used and used properly. I think it is a good system, but the fact that goods are purchased by tender is not an evidence that you have bought them well. History, even in this Dominion, has enlightened us a good deal on that very question. History records many cases where great frauds have been perpetrated. Many have heard of cases where dummy tenders were put in, and where the lowest tenderers were bought to withdraw their tenders, and where tenders were put in, with a small amount asked for, and after that small amount was filled under the terms of the tender, a large amount was sold in addition to that at a very high price. I wish to give just one illustration of that, showing that simply because goods are purchased by tender it is not conclusive that you have purchased them well. In the Report of the Public Accounts Committee of last session, page 115, we have this information in connection with the St. Vincent de Paul Penitentiary. Certain goods were bought from a man named Bisson. This man supplied goods of the same kind at a good deal more than the tender price. The attention of the Auditor-General was drawn to the fact when the account came to him for approval. He wrote for explanations on different occasions, and finally he got this reply:—

“In reply to the remarks of the Auditor-General, I beg to inform you that it is impossible to purchase material according to C. Bisson's contract for the Penitentiary. Bisson's contract is for \$400 only. His figures are lower than the wholesale market price, but he has got extras for five times more; so he is getting back on extras what he lost on contract.”

I quote this, not to cast any reflection on any Government or individual, but simply to show one of many cases which will come into the minds of people in this Dominion of ways in which it is possible to defraud a Government under tender. The tender system as put in operation in this Province, I believe, is an honest system, a fair system, and the lowest tenderer gets the business. It is the principle upon which tenders are asked, and it is the principle which is carried out all through

the list. When I say that, I will not say that there may not be occasionally a case where (when two tenders are with'n a very trifle of the same amount, and where one man has supplied a line of goods, say meat, to our outside institutions; where the system of employing a buyer like Mr. Hunter cannot be adopted with advantage; where one man has supplied the meat and given good satisfaction, on the recommendation of the superintendent of the institution—knowing how difficult it is to deal with tenders for meat and butter, according to the samples produced at the time and the samples called for in the tender) we may have given the contract to the one who was not the lowest. But the reasons are good and justifiable on public grounds, which would be satisfactory to every member of this House, and to any elector in the Province of Ontario, and it is just what we would do in our own business if a similar thing occurred. Everybody admits, I believe, this to be so. I make that assertion from the fact that no charges to the contrary are ever heard. I believe nobody complains that the contracts are not awarded honestly, fairly and above-board, for the goods tendered for here. I can give you an illustration which occurred two or three months ago, to show that no favor is exercised in the distribution of these tenders. I happened to be at a public meeting two or three months ago. Among the gentlemen who addressed that meeting was Mr. Campbell, M.P., of Toronto Junction, a most estimable man. He happens to be a Liberal, if that is any fault. We do not think so; some might. In speaking of the conduct of the public business of this Government he compared it with that of the late Government; at Ottawa, and spoke of certain cases where frauds had been committed there. He said this Government had asked for tenders for flour a short time ago. He has a large flour mill and makes good flour, and is a man who could compete for contracts of that kind. He tendered for flour for some of the institutions—I do not remember which now—and he said he came within five cents a barrel of the lowest tender, and the lowest tenderer was a strong Conservative, and he added, "I am a well-known Liberal, and the Government and everybody else know it, and the lowest tenderer, though a Conservative, got the contract." I ask hon. gentlemen if this is not a record upon which we have reason to congratulate ourselves; is it not a record, in the light of some other events, upon which the people of the Province have reason to congratulate themselves—that honesty and fair-play, irrespective of politics, are the guide in disposing of the people's money in maintaining the public institutions?

Our purchases compare favorably with those of other institutions. I compared the purchases of Kingston by tender,

and of this Government in the open market. Now I want to compare articles purchased by tender at Kingston Penitentiary, and those purchased by tender here at the Central Prison. Those institutions are very much alike; they are run much in the same way—as much as two institutions can be; and the quantity of the articles required would be practically the same for both institutions. Let us see what the result is under tender in both cases. Here is butter for the Kingston Penitentiary and Central Prison for the year 1894-5. Butter, per pound, by tender, at the Kingston Penitentiary, 19 cents; by tender, at the Central Prison, 17 and one-fourth cents. Oatmeal, per pound, Kingston, 2 and one-fourth cents; at the Central Prison, 2 cents. Flour, \$3.50 per barrel at Kingston Penitentiary; \$3.11 for the Central Prison. So you will see that in those three leading items, in both cases purchased by tender for the same year, for the same kind of an institution, we have a lower price on all of them than they have in connection with their institution. All I wish to adduce from this is to pile up the arguments to show that we are getting good value for the money expended, and we care not what kind of a test you apply to the system.

ANOTHER TEST.

There is another test which, it seems to me, sums up all the other tests, and ought to be a final and conclusive answer to the argument, if such it were, that the hon. gentleman made in moving the resolution—a test which, it seems to me, will be unanswerable, along with the others which I have made, to show that the system in operation should not be changed; i. e. to compare the cost per capita of our institutions with that of similar institutions elsewhere. What do we find? Let us take the Orillia Asylum. That is a different class of Asylum from the other Asylums of the Province. It is what we call the Asylum for the Feeble Minded. There are a number of institutions of a similar class throughout the United States and the Old Country. We have gone to the trouble to get from the very best available official sources statistics showing the cost of institutions of that class in other lands. I have a list here, perhaps, of some 30 or 35 institutions, but I will give you a few sample cases, and the list can be examined by any one. We find that last year the Ontario institution had 605 inmates. The number of employees is 67. That is another feature which I did not intend to deal with, but it is noticeable that the number of employees for the number of inmates is very much smaller in our institution than in the others. The cost per

capita is, for the last fiscal year, ending September 30th, 1896, \$98.08. There is an institution in Pennsylvania with 1,000 inmates, 175 employees, with a cost per capita of \$164.65—about 10 times as much larger, and for that reason the cost per capita ought to be less. In Massachusetts there is an institution with 425 inmates, 84 employees, with a cost of \$169 per capita as compared with \$98 for Orillia. Then we go to Scotland, and we find that they have an institution there, the Scotch National Asylum for the Feeble Minded, with 262 inmates. The reason I specially take pleasure in discussing this Scotch institution is that if there are any people in the world who are economical and who are careful, and who watch every copper, it is the Scotch people. They are noted for that. And what do we find? We find that that institution, with 262 inmates and 56 employees, costs 33 pounds 15 shillings and 9 pence per capita, which is just about \$156 per annum, while at Orillia the cost is \$98 (applause). These are only fair samples of all the rest to the cost is \$98. These are only fair samples of all the rest to show you, that so far as the feeble minded institution in this Province is concerned, the total results per annum are certainly admirable, and in the highest interests of the people of the Province.

Now let us take the Insane Asylums, because these facts do not apply to one institution alone. We have the Toronto Asylum, with a per capita cost of \$136, with 698 population; the London Asylum, with a cost of \$122, with an average population of 1,015; Kingston, \$136 per capita, with an average population of 574; Hamilton, \$118, with an average population of 982; Mimico, \$141, with an average population of 573; Orillia I have already given; Brockville, \$188, with an average population of 154. Now take the Asylums in the United States and other places. In Utica, N.Y., we have an Asylum with 1,004 inmates, with a cost of \$199.82 per capita; Hudson River, N.Y., 1,483 inmates, and an average of \$204.80. That is a very much larger population than we have, which ought by argument to reduce the per capita cost. At Willard, N.Y., with an average population of 2,188, the average per capita cost is \$147.42. These statistics show that our institutions in this Province are maintained at a very much less cost per capita than any other institutions we can get a record of doing a similar class of work.

If there is an institution that seems to cost more per capita than one would suppose it ought to, it is that for the blind, but when you come to get information from similar institutions

elsewhere, you are agreeably surprised to find that our per capita cost compares very favorably indeed. We have 131 pupils, with an average cost of \$264. In Pennsylvania they have a similar institution, with 165 pupils, with an average cost per annum of \$355; in Illinois, with 220 pupils, an average cost of \$284; at Boston, 171 pupils, with an average cost of \$337; Indiana, 124 pupils, with an average cost of \$237 per capita. That is the only one on the whole list that we can find is below our institution here, and I want to give you that because it seems such a curiosity to get one institution anywhere that is lower than any one of our corresponding institutions.

The Kingston Penitentiary has been referred to and compared with the Central Prison. I think we are all familiar with those two institutions; it is a matter we have had before us so often. At the Central Prison, closing the last fiscal year, there was an average population of 286, with a gross per capita cost of \$165.20. Kingston Penitentiary, with 551 of an average population, has a gross per capita cost of \$215.30. But when you come to get the net per capita cost, that is where the system in operation in our prison here seems to outrank and outshine any other institution that we can get information about. If we take out the receipts from the work of our prisoners, the net cost of our prisoners in the Central Prison is \$97.27 per capita. There is no other institution which gives such results. In Kingston they realize so little practically that it is scarcely worth while giving.

The Attorney-General.—What is their revenue?

Mr. Davis.—As nearly as I can tell the net earnings were about \$10 or \$15 per head. That would leave about \$200 per head as the net cost, against \$97 at the Central Prison.

Now, I ask you hon. gentlemen, and I ask the people of this Province, what better system can we have than the present system in operation, which is properly administered, as I submit, from the evidence this afternoon? There is nothing to conceal. The system, in short, is to purchase everything by tender which can be purchased in that way to advantage, and the list will be increased as soon as it can be shown that any article can be purchased to better advantage by so doing. No public institutions in the world get as good value for the money expended as the public institutions of this Province. They are administered on a business basis. If there was ever a time in the history of the Province when the people were anxious to

have their business conducted on a business basis now is the time, and in connection with these institutions the expenditure of the public money is made on a business basis. The cost is less than that of similar institutions in any part of the world. No matter on which side of the House we sit, if we review fairly the system of conducting the public institutions we will find that it has been honestly conducted. The system is a good system, and its administration and results are better than are found anywhere else, and we ought to all congratulate ourselves upon it. I have every confidence in asking the Members of this House to vote down the resolution proposed by my hon. friend. He admits himself it is weak. Further than that, I ask the consideration of the House to the fact that this is a system which I call an inferior system that he asks the House to support, which has been tried thoroughly in the past. John Sandfield Macdonald's Government gave it a fair trial, and gave it up after a fair trial. We are now calling for tenders for more articles than that Government did when they went out of power. I believe the members of this House will vote the resolution down by a large majority (applause).

APPENDIX.

Per capita cost of maintenance of Ontario Public Institutions,
compared with similar institutions elsewhere for which statistics are available.

INSTITUTIONS FOR THE BLIND.

	No. of Pupils.	Cost.
Ontario	131	\$264 20
Pennsylvania	165	355 17
Illinois	220	284 68
Boston	171	337 79
New York State	121	288 01
Indiana	124	237 78
Maryland	90	294 94
New York City	214	391 32
Michigan	106	264 89

INSTITUTIONS FOR THE DEAF AND DUMB.

Ontario	272	\$169 19
Pennsylvania	511	256 00
Kentucky	294	208 88
Ohio	415	217 00
Virginia	113	327 00
Indiana	311	207 28
Illinois	521	197 32
Georgia	131	167 00
Louisiana	90	183 00
Wisconsin	184	209 00
Michigan	407	186 51
Columbia Institution, Washington City....	138	502 00
Alabama	126	207 00
California	167	345 00
Buffalo	132	232 00
Minnesota	221	223 00
New York (Lexington Avenue)	187	262 00
Massachusetts	152	277 00

Maryland	94	264 00
Nebraska	151	203 00
Fordham, N.Y.	348	200 00
West Virginia	126	243 00
Oregon	48	309 00
Central New York Institution, Rome, N.Y..	134	303 00
New York City	400	290 00
Western Pennsylvania	203	241 00
New Jersey	134	304 88
Mackay Institution, Montreal	54	190 00
Manitoba Institution, Winnipeg	43	243 00

ONTARIO ASYLUMS.

Toronto	\$136 11
London	122 42
Kingston	136 11
Hamilton	118 49
Mimico	141 78
Orillia	98 09
Brockville	188 85

Average for the seven institutions \$134.55. Deducting revenue, leaves the net per capita cost per annum, \$115.69. The average gross per capita cost of maintenance for 29 years, to the end of 1895 was \$134.89. In the five years from 1867 to 1870, it was \$140.70, as against \$132.07 for the same period, from 1891 to 1895.

FOREIGN ASYLUMS.

Pontiac, Michigan	\$175 11
Stockton, California	129 93
Average cost of six asylums in New South Wales	138 64
Matteawan, N.Y.	192 98
Utica, N.Y.	199 82
Willard, N.Y.	147 42
Hudson River	204 80
Middletown	195 31
Buffalo	183 56
Binghampton	186 68
St. Lawrence	219 85
Rochester	233 44

List of Institutions for Feeble-minded Children, giving number of Inmates, number of Employees, per Capita Cost, and Value of Property, representing practically the figures for the fiscal year ending September 30th, 1896.

INSTITUTION.	IN- MATES.	EM- PLOYES.	PER CAPITA COST.	VALUE OF PROPERTY.
Pennsylvania Inst. F.M.C., Elwyn...	1000	175	\$164 65	\$585,000 00
New York Asy. for Idiots, Syracuse...	541	120	162 76	421,330 55
Massachusetts Inst. F.M.C., Waverly,	425	84	169 00	259,884 13
Ohio Inst. F. M. Youth, Colum. bus. ...	986	124	144 11	698,582 12
New Jersey Inst. F.M.C., Vineland..	223	48	275 00	125,000 00
N. J. Inst. F. M. Women, Vineland..	94	13	230 00	
Conn. Inst. F.M.C., Lakeville.....	163	38	186 76	130,000 00
N.Y. Custodial Inst. F.M.W., Newark,	375	62	129 22	152,052 00
Minnesota Inst. F.M.C., Fairbault...	471	114	181 00	325,000 00
Iowa Inst. F.M.C., Glenwood.....	648	94	157 20	350,000 00
Indiana Inst. F.M.C., Fort Wayne....	552	92	140 00	350,000 00
Nebraska Inst. F.M.C., Beatrice.....	222	24	201 93	150,000 00
Kentucky Inst. F.M.C., Frankfort....	120	16	150 00	100,000 00
Kansas Asy. F.M.C., Winfield.....	110	23	138 60	55,900 00
California Home F.M.C., Eldridge ...	455	68	161 22	379,415 31
Illinois Asy. F.M.C., Lincoln.....	635	119	135 86	324,152 41

FOREIGN INSTITUTIONS.

			£	s.	d.	
Scotch National Asy. F.M.C., Larbert,	262	56	33	15	9	215,000 00
Royal Albert Asy. F.M.C., Lancaster,	569	153	32	12	10½	653,675 00
Eastern Counties Asy., Colchester E..	240	63	*11	10		165,000 00
Earlwood Asy., Surrey, Eng.....	580	220	*12	2		600,000 00
Northampton Asy., Berrywood, Eng..	62	6	*7	6		25,000 00
Western Counties Asy., Starecross, E.	228	36	19	8	9	164,500 00
Stewart Inst. F.M.C., Dublin, I.....	75	17	37	0	0	120,000 00
Ontario Inst., Orillia, Ont.....	605	67	\$98	08		500,000 00

*Per Week.

The above figures were obtained by the Superintendent of the Illinois Institution from the respective Institutes named.

Comparative Cost of Maintenance Central Prison and other similar Institutions, 1896.

INSTITUTION.	AVERAGE POPULATION.	GROSS PER CAP. COST.
Central Prison, Toronto.....	386½	\$165 20
Penitentiary, Kingston	551	215 30
State Prison, Minnesota	455	196 78
State Prison, Connecticut	405	189 16
State Prison, New Jersey	1000	170 69
Peterhead Prison, Scotland	350	172 72
Perth Prison, Scotland	216	212 67
Twelve Local Prisons	157	359 73

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